

**IN THE UNITED STATES BANKRUPTCY COURT FOR THE
EASTERN DISTRICT OF TENNESSEE**

IN RE:

SEAN PURCELL JETER
SHELIA ANN JETER,
f/k/a SHELIA ANN HARRIS

CASE NO. 12-34953
CHAPTER 13

Debtors

**MOTION FOR ENTRY OF AGREED ORDER
OF COMPROMISE AND SETTLEMENT**

The undersigned parties, Atlas Legal Funding I, L.P. ("Atlas"), William A. Hotz, Esq. ("Hotz"), by and through counsel, and the Chapter 13 Trustee, Gwendolyn M. Kerney (the "Chapter 13 Trustee"), hereby submit their Motion for Entry of Agreed Order of Compromise and Settlement and would show unto the Court the following:

BACKGROUND

1. On March 13, 2014, the Court entered an Order, incorporating by reference the Court's Memorandum on Motion by Chapter 13 Trustee to Approve Settlement also filed on March 13, 2014.
2. On March 19, 2014, the Court entered an Order granting the Chapter 13 Trustee's Motion to Dismiss Case.
3. On March 27, 2014, the Chapter 13 Trustee filed her Notice of Appeal and Election to Have Appeal Heard by the District Court, as to the Order of the Court, entered on March 13, 2014.
4. On March 28, 2014, the Court entered an Order specifying that the determination of attorney fees for Atlas would be based upon the contractual arrangement between Atlas and the Debtor Sean Jeter as set forth in the Section 3.5 of the Funding Agreement.

5. On April 9, 2014, the Chapter 13 Trustee filed an Objection to Fee Affidavit filed by Woolf, McClane, Attorneys for Atlas, in which she raised issues as to the validity of Atlas's assignment, perfection of the assignment against the Chapter 13 Trustee, enforceability of the attorneys' fee provision, and the reasonableness of Woolf, McClane's attorney fees.

6. On April 15, 2014, the Court entered a Final Order, based on the reasons set forth in its Memorandum on Affidavit of Woolf, McClane, in which Final Order the Court directed the Chapter 13 Trustee to disburse the \$80,189.14 in settlement proceeds received from Auto Owners Insurance Company as follows:

- A. The sum of \$37,774.70 to Atlas Legal Funding I, L.P.;
- B. \$29,086.30 to William A. Hotz, Attorney; and
- C. \$13,328.14 to creditors in accordance with the terms of the Debtors' confirmed Chapter 13 plan.

TERMS OF THE SETTLEMENT AGREEMENT

1. Upon reflection and negotiation, the undersigned parties desire to enter into a full and final compromise and settlement of all issues and claims of the Chapter 13 Trustee on behalf of the Estate, including the Chapter 13 Trustee's claims on Appeal, and any and all claims of Atlas or Hotz as to Sean Jeter and/or Sheila Jeter personally, specifically including any claims in any future bankruptcy filings made by Sean and/or Sheila Jeter, and their Chapter 13 estate, to avoid the further expenses of briefing on appeal as to the merits of their respective legal arguments and the uncertainty of litigation.

2. Notwithstanding the Court's prior Order of distribution set forth in the Final Order entered on April 15, 2014, the Chapter 13 Trustee, Atlas and Hotz have agreed to settle and resolve all issues that would have been raised on appeal and seek entry of the Agreed Order so as to approve the said Compromise and Settlement and authorized the Chapter 13 Trustee to disburse the settlement proceeds received from Auto Owners Insurance Company as follows:

- A. The amount of \$19,357.59 to Hotz, which shall include \$2,356.59 for his reimbursed expenses;
- B. The amount of \$30,774.70 to Atlas; and
- C. The amount of \$30,056.85 to the Debtors' bankruptcy estate, to be disbursed in accordance with the terms of the Debtor's confirmed plan.

3. Upon entry of the Agreed Order, the Chapter 13 Trustee shall disburse the foregoing sums which the parties agree that the payment and receipt thereof shall and does hereby constitute a full and complete release of any and all claims as stated herein.

4. The Chapter 13 Trustee shall dismiss and withdraw her appeal filed on March 27, 2014, as to all issues upon entry of the Agreed Order.

RELIEF REQUESTED

1. The parties hereby request that the Court approve the proposed settlement as outlined herein. The compromise and settlement of the parties' claims is the result of good faith negotiations between the parties, after a thorough review of the merits of the parties' claims and defenses, and to eliminate the cost and uncertainty of prolonged litigation.

2. The settlement proposed here meets the standards for approval under Bankruptcy Rule 9019 and is in the best interests of the bankruptcy estate because it enables the Chapter 13 Trustee to recover more money for the benefit of the estate and unsecured creditors and avoid lengthy and costly litigation with uncertain results.

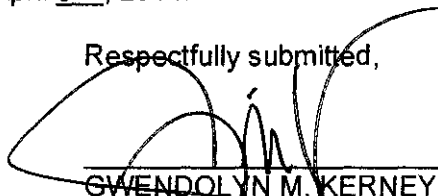
3. The proposed settlement is for the benefit of and without prejudice as to the dividend to the unsecured creditors.

4. In light of the nature of the relief requested, the Chapter 13 Trustee submits that no further notice need be given.


WHEREFORE, the Chapter 13 Trustee respectfully requests that the Court approve the Motion and the proposed settlement detailed herein and enter an Agreed Order of Compromise and Settlement and grant such other and further relief as this Court may deem just and proper.

Respectfully submitted on April 28, 2014.

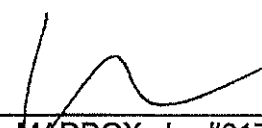
Respectfully submitted,



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CERTIFICATE OF SERVICE

I hereby certify that on April 28, 2014, a copy of the foregoing **Motion for Entry of Agreed Order of Compromise and Settlement** was filed electronically. Notice of this filing will be sent by operation of the Court's electronic filing system to all parties indicated on the electronic filing receipt. All other parties will be served by regular U.S. mail. Parties may access this filing through the Court's electronic filing system.

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Chapter 13 Trustee